

DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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OFFICE OF THE SECRETARY

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POSTAL RATE AND FEE CHANGES, 1997  
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)  
) Docket No. R97-1  
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THE DIRECT MARKETING ASSOCIATION, INC.'S INTERROGATORIES AND  
REQUESTS FOR PRODUCTION OF DOCUMENTS RELATING TO THE POSTAL  
SERVICE'S SUPPLEMENTAL DIRECT EVIDENCE DIRECTED TO  
USPS WITNESS DEGEN (DMA/USPS-T12-13-14)

Pursuant to Sections 25 and 26 of the Commission's  
Rules of Practice, the Direct Marketing Association, Inc. hereby  
submits the attached interrogatories and requests for production  
of documents to USPS witness Degen (DMA/USPS-T12-13-14) relating  
to the Postal Service's supplemental direct evidence. If the  
designated witness is unable to respond to this interrogatory, we  
request a response by some other qualified witness.

Respectfully submitted,



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November 6, 1997

**Witness Degen (USPS-T-12)**

DMA/USPS-T12-13. Please refer to LR-H-146, Table I-1, which shows accrued costs by cost pool.

- (a) Please confirm that the IOCS tally costs for tallies within a mail processing cost pool are not always equal to the accrued cost for the cost pool.
- (b) Please provide, in an electronic spreadsheet format, the percentage difference between IOCS tally costs and accrued costs for each mail processing cost pool.
- (c) Could a cost difference of the magnitude indicated in your response to subpart (b) be due solely to IOCS sampling error? If so, what is the probability that a cost difference of this magnitude is due to IOCS sampling error?
- (d) Could a cost difference of the magnitude indicated in your response to subpart (b) be due solely to differences in salaries between individual clerks and mailhandlers? If so, please explain fully the likelihood that the cost difference is due solely to this reason.
- (e) Is there any other possible reason for the difference between IOCS tally costs and accrued costs within a cost pool? If so, please explain fully.
- (f) Assume: (1) clerks and mailhandlers sometimes work on one operation while clocked into another operation, and (2) IOCS data collectors sometimes record the MODS operation that the employee is performing rather than the MODS operation into which the employee is clocked. Could this situation result in a difference between IOCS tally costs within a cost pool and accrued costs in the same cost pool? If no, please explain fully.

DMA/USPS-T12-14. Please refer to LR-H-146, page II-3, step 2, where you discuss the distribution of uncounted/empty single items. Please disaggregate uncounted/empty item unweighted tally counts, IOCS tally costs, and volume-variable costs by (1) item type, (2) cost pool, and (3) whether the item is uncounted or empty. Please provide this information in an electronic spreadsheet format.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 (section 3001.12) of the Postal Rate Commission's Rules of Practice and Procedure and Rule 3 of the Commission's Special Rules of Practice in this proceeding.

  
Michael D. Bergman

November 6, 1997